

Memorial Hospital Lafayette County 'MHLC'
January 17, 2014
MHLC Conference Room
Minutes from Monthly MHLC Committee Meeting

Present: MHLC Chairperson Bill Moody- County Supervisors Bob Boyle, Ron Niemann, Connie Hull, Wayne Wilson was excused; Medical Director Matt Solverson; Director of Finance Barb Johnson; DON Kathy Ruef; County Finance Director Nicola Maurer' Jim Pahnke, Maintenance Supervisor.

I. Call to Order

Chair Moody called the meeting to order at 9:00 a.m.

II. Posting

Chair Moody asked if the meeting had been properly posted. Ms. Tuescher reported that the meeting had been posted with notices at the Hospital, Health Department, Court House, County Website, and sent to the local media. Chair Moody declared the meeting to be legal.

III. Approval of Agenda - Discussion and possible action requested

Chair Moody presented the agenda and inquired if there were any changes. Mr. Boyle made a motion, seconded by Mr. Niemann to approve the agenda as presented. Voice vote, motion passed unanimously.

IV. Minutes – Discussion and possible action requested

Mr. Boyle made a motion, seconded by Mr. Niemann to approve minutes from the December 18, 2013 Memorial Hospital of Lafayette County Hospital Board meeting as presented. Voice vote, motion passed unanimously.

V. Financial Report: Barb Johnson, DOF

Dept. Profit/ (Loss) & Income Statement

- Everything has been posted for December revenues and expenses.
- December prepaid insurance and payroll accruals have been posted.
- December profit YTD is down from 2012.
- Swingbed days are down from 2012 by 130 patient days.
- Acute Inpatient days are up from 2012 by 93 patient days.
- Following an interim cost report with October numbers, we anticipate we may have to pay a small amount to Medicare, but will know more with the final of December figures. RWHC will assist in running another interim cost report before we submit data to Medicare with our audited numbers.
- Comparing Department Profit/ (Loss) Current YTD to Budget, in inpatient revenue, the OR department continues to show a considerable increase, while other departments are showing some loss.
- Comparing Department Profit/ (Loss) Current YTD to Budget, in outpatient revenue, Med/Surg. and ER show considerable increase, while the other departments are very close to budgeted amounts.
- Total Clinical Expenses are below budget by \$279,558.
- We received CY2012 meaningful use dollars for Medicare. This amount was applied to the cash account, but not recorded to the income account. This account entry has been corrected. The amount was \$189,921.61.

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- We received CY2013 Medicaid Meaningful Use dollars the first part of January in the amount of \$48,860.93.
- We paid out \$294,000 to RWHC ITN for the upgrade of our HMS software for meaningful use. We will be receiving reimbursement of approximately \$260,000. This is an anticipated amount. We do not have an actual amount. The paperwork was completed the end of December.
- Net Income prior to the transfer of \$313,009 to the County General Fund is \$421,723, which is a 3% profit YTD. Operating Percentage Margin YTD (after disbursal of the CGF) is 2.878%, which is below budget.
- Our net income after County Transfer plus Meaningful Use Medicaid and Medicare monies will be \$333,059.
- Account balances that were written off to charity care for CY2013 amount to \$196,352.71.

Wages & Fringes

- Overall combined wages & fringes are above budget for December YTD. This is mainly due to payout of retirement and vacation benefits to employees that have left MHLC.

Balance Sheet

- Cash as of December 31, 2013 is \$24,198. The Accounts Receivable balance as of December 31, 2013 is \$3,310,705.

Aged Accounts Receivable

- The net days outstanding in accounts receivable is 51.94 – goal is 50.
- 56.87% of our aging accounts receivable for in 0-30 days outstanding, and 26.62% are in 31-60 days outstanding.
- Self-pay balances total \$438,537.
- Currently for the month of December, \$387,557 is greater than 90 days outstanding.

2. Charity Care:

- Ms. Johnson reported that the amount that was written off for Charity Care was just over \$196,000. That includes anybody that just strictly filed or went to bad debt or filed bankruptcy and we pulled them back in and then wrote off Charity Care once they applied and were qualified for it. It is down, 2012 we were up over \$300,000. Ms. Chikowski explained that we are obligated to do a certain amount to keep our nonprofit status. General discussion continued.

3. Utilization Report Only: Kathy Ruef, DON reported:

- It has been very busy to the point of all rooms were full last week – even the OB rooms were full of surgical patients. General discussion of how much busier we are with the Pain Management Clinic, Dr. Stormont as well as our General Surgeries with Dr. Dachman & Dr. Schmus.

The motion was made by Mr. Boyle to accept the Financial Report, seconded by Ms. Hull, Voice vote and passed unanimously.

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VI. Personnel – discussion and possible action requested.

1. Staff Updates:

- Ms. Chikowski reported that Fran Demo was changed to contracted nurse – met with Ms. Maurer & Ms. Steiner to clarify and change paperwork to reflect this change. Wanted to bring back some ranges for RN's. Some RN's are able to work all 3 areas and some who are only able to
- We have 2 RN's – 1 is almost totally oriented and ready to go and the other one is close too.
- We promoted one housekeeper to the full time position and then hired one housekeeper to fill the part time position.

2. December Overtime Report: Ms. Chikowski reviewed the December OT per department. Wanted to thank the Maintenance staff for doing a fabulous job of keeping up with the snow removal as well as the remodel while maintaining the hospital. General discussion continued.

3. RN/LPN Contract Rate: Ms. Maurer addressed the committee about the current way that the finance department is applying the 6 certifications to nursing wages at the hospital and the manor. It is very labor intensive requiring several steps and having to handle each individually. After a lengthy discussion the motion was made by Mr. Niemann, seconded by Ms. Hull to add the 25¢ adjustments for each certification gained and make it a permanent part of their base and reduce it if they lose these certifications. This will be effective as of next payroll after it is approved by the Manor Board. Voice Vote, motion passed unanimously.

VII. Request to convene to Closed Session: Requested Ms. Maurer, Ms. Johnson & Ms. Ruef to remain. Per WI Stats Sec. 19.85(1) (e) - Deliberating or negotiating the purchase of public property, investment of public funds, or conducting other specified public business when competitive or bargaining reasons require a closed session. Mr. Niemann made a motion that was seconded by Mr. Boyle to go into closed session to review and discuss setting range for RN/LPN Contract Rate. Roll call vote Chair Moody – Yes; Mr. Boyle – Yes; Mr. Niemann – Yes; Ms. Hull – Yes; Dr. Solverson - Yes. Motion passed.

VIII. Reconvene to Open Session on the item discussed in closed session – No roll call necessary. Mr. Boyle made a motion, seconded by Mr. Niemann to reconvene to open session - no roll call necessary. General discussion. Motion was made by Mr. Niemann, seconded by Dr. Solverson to set the range for contract RN from \$28 - \$32 and LPN from \$17 - \$19 based on qualifications. Voice vote, motion passed unanimously.

IX. Medical Staff Report – Discussion and possible action

- Reappointment of the Medical Staff 2014 – 2016 – After review and brief discussion the motion was made by Mr. Boyle, seconded by Ms. Hull to recommend to Dr. Solverson to approve the Reappointments with the following changes: Dr. Neumann's staff category should be changed from Active to Consulting and Dr. Jin Kim, ER Director be changed from Emergency to Active. Voice Vote, Motion passed unanimously.

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- Brief discussion was held regarding the status of Dr. Richard Graf's replacement. Ms. Chikowski reported that she will be meeting with Meriter on Feb, 6 to discuss options. She is also meeting with Lancaster & Dodgeville to talk about Urology services and other services as well. We are getting a lot of physician satisfaction.
- Dr. Solverson commented that the physicians are facing a lot of very stressful changes implemented by Medicare – we are communicating with hospital administration to help work through some of these changes. As a hospital board you might need to look at your personnel - with all the physician documentation being required – you may have to increase some staff time to accommodate this. Ms. Chikowski added that the hospital is doing everything we can to support the Providers. We are also looking at potential other models and Ms. Ruef & Dr. Solverson talked about potentially looking at their staff and how we can flex the model they use to take some of the pressure off their clinic. Be aware that change is happening and happening quickly so be prepared that decisions might need to be made. General discussion continued.

X. Management Report – discussion and possible action

1. New Business:

- a. IT Request: None outside of what Jason has approved.
- b. Light Switch for Med Flight: Jim Pahnke, Maintenance Supervisor handed out & reviewed a list of responsibilities that maintenance follows when called in for Med Flight which Ms. Ruef asked him to prepare. This list of duties performed explains why it is necessary that they be here for Med Flight. After a general discussion Mr. Pahnke will look into options regarding changing the light switch but since they are already here anyway it may not be necessary.
- c. Proposals for OPC Remodel: Ms. Chikowski & Mr. Pahnke presented three bids for the design phase of the clinic remodel. After a lengthy discussion the board narrowed it to two, Delta 3 Engineering – Platteville and Miron Construction – Appleton. This remodel will potentially cost between \$700,000- \$850,000. The old HIM space will be remodeled first, then the current clinic will be moved to the new space. Then the old clinic area will be remodeled – then the wall in between will be opened. It will be staged so there is little or no interruption of the clinic. There is already an office template so we know how we would like the clinic designed. Both firms are qualified to do the work.

Ms. Maurer wondered if after they come and quote on design and overseeing of the construction do they have any control of the costs – how we hold them accountable. Quote draft plans after chosen – they will bring in a plan – if they go over – old building 15% for overages – bring to hospital, then we will get a per square foot charge – we will get the most bang for our buck.

General discussion continued of what the time frame for the completion of the project might be. Maybe by the end of Sept or by the end of the year..

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Mr. Pahnke will contact them and request they come to the next board meeting to do a presentation. A decision will be made after hearing their proposals and costs associated.

2. Old Business:

- a. Generator: Mr. Pahnke reported that CSS Power tried to start digging yesterday but it was too cold to continue. The decision was made to put it on hold until April 1, 2014. All prices will remain the same – State was notified by CSS of this delay.
- b. Dept. Moves Update: Ms. Chikowski said that the moves are going well and are on track. Made some adjustments and changes after the security walkthrough - but now we are pretty much settled.
- c. OB Recruitment: Ms. Chikowski reported that we are continuing to recruit – April 1 Dr. Neumann is done doing C-Sections so we are talking with Acute Care on February 6 to discuss cost & Contract for C-Section coverage.
- d. Therapy Dept.: Ms. Chikowski reports that numbers are up significantly due to Dr. Stormont Clinic and Pain Management Clinic.

XI. Audit of Bills - The bills were presented for approval. There is a new one that will be cut monthly to Dr. Stormont, which will be added to the approved list. Mr. Niemann made a motion and seconded by Mr. Boyle to approve the Audit of Bills as presented with the addition of Dr. Stormont's monthly bill. General Discussion - voice vote motion passed unanimously.

XII. Next Meeting – Chair Moody set the next meeting date.

**Next Hospital Board Meeting set for
February 19, 2014 at 11:00 am
MHLC Downstairs Conference Room**

Mr. Pahnke will talk to the builders and schedule their presentations for 30 minutes each and the first will begin at 11:15 a.m. Ms. Chikowski said that lunch will be provided.

XIII. Adjournment – Mr. Boyle made a motion and seconded by Ms. Hull to adjourn the meeting. Meeting was adjourned at 11:05 a.m.

Focus Statement

"Caring...Quality...Life...We take it Personally."